

CHAPTER 1

Project Start-Up



Project Start-Up: First Steps

Work closely with your CDBG Project Liaison

- Exhibit 1-G: **Start-up Checklist** (one of many checklists found in your CDBG Manual, listed in Chapter 12, page 12-6)
- Your CDBG Liaison and you work together to prepare the MDOC/CDBG **contract** for your project
- **You can incur start-up costs** for administrative activities, listed in a CDBG letter authorizing certain “environmentally-exempt” activities. (Chapter 1, Section D, page 1-7 and ff.)
- Establish a **Project Management Plan** (Exhibits 1-A, 1-B and 1-C) and a **Project Implementation Schedule** (Attachment A of the contract)
- Set up local **Project Files** (Chapter 1, Section J)

Project Start-Up: More First Steps

- Complete authorized **Signature** and **Depository forms** (Exhibits 1-D and 1-E)
- Complete any **special project conditions in your contract** (Section 17, Exhibit 9-F)
 - Example: Interlocal/subrecipient agreement
- Adopt a **Budgetary Authority Resolution** (Exhibit 4-A)

Civil rights requirements

to be completed at start-up
(Chapter 1, Section H, page 1-15)

- Adopt a **Fair Housing Resolution** (Exhibit 5-M) – and begin to undertake other local actions to **affirmatively further fair housing**
- Adopt a **Hatch Act Resolution** (Exhibit 5-Q)
- Conduct an **ADA Self-Evaluation Survey** and create a **Transition Plan for ADA-Handicapped Access**
- **Adopt ADA/Section 504 Complaint Resolution Procedures** (Exhibit 5-R)

>>>>> Chapter 5, Civil Rights

Completing A Contract with CDBG

Work with your CDBG Liaison
to develop the details of your contract (Exhibit 9-F):

- ❑ amount of CDBG funds to be provided, with a **detailed budget** (contract Attachment B) for **the CDBG funds** and for **any other funds involved**
- ❑ **project implementation schedule** (contract Attachment A) covering all key project activities and milestones
- ❑ **scope of work/activities** (Section 6) to be completed; and
- ❑ **general conditions** (template for all CDBG contracts)
- ❑ **special terms and conditions** (Section 17) associated with your grant contract

Inter-Local Agreement or Inter-Agency Agreement

- Necessary when
sub-recipient organizations
(such as local non-profits
or water and sewer districts)
are involved

Incurring Start-Up Costs

- ◆ Grantees will receive a letter from CDBG giving authorization to begin **incurring certain “environmentally exempt” costs for grant start-up, administrative activities** related to their project.
- ◆ These activities are called “environmentally exempt” -- they do **not** presuppose that you’ve already completed **CDBG’s Environmental Review procedures**.

Getting Reimbursed for Start-Up Costs

CDBG funds will not actually become available for reimbursing project start-up expenditures until:

- ☐ a letter of authorization is issued by MDOC/CDBG
- ☐ **an environmental review is conducted by the grant recipient and approved by CDBG**
- ☐ a grant contract with MDOC/CDBG is executed
- ☐ **all contract conditions are in compliance**
- ☐ a “release of funds” letter is issued by the Department (after completion of the Environmental Review and other start-up conditions).

The initial start-up expenses must be paid out of local government funds until reimbursement occurs.

Establishing a Project Management Plan

- ❑ Two options for handling grant management:
 1. Administration **by local public employees**
 2. Grant management **by a private contractor** – requires an open, free procurement process (Chapter 3, Procurement).
- Exhibit 1-A: **Project Management Plan Guidelines**
- Exhibit 1-B: A sample **Management Plan format** for a project **administered by local government staff**
- Exhibit 1-C: A sample **Management Plan format** for a project **administered by a contracted consultant**.

Project Start-up Deadlines

Within Four Months of the **date of the announcement** that the grant award was **actually funded by MDOC**, each applicant selected for CDBG funding must:

1. Execute a grant contract.
2. Comply with all applicable state and federal requirements for project start-up.
3. Complete financial documents to allow for transfer of CDBG funds to the grant recipient.
4. Fulfill other appropriate contract terms as listed in Section 17 (Special Project Start-Up Conditions) of the contract.

Obtain firm commitment of all non-CDBG funds
(**within Nine Months of the announcement of “funded” status**)

Timely project completion

- Timely project completion is expected by Montana CDBG and by the U.S. Congress.
- The contract period is normally 24 to 36 months from the date of the announcement of the grant award to project completion.

Establishing Project Files: Pages 1-3 and 1-17 through 1-20 CDBG Manual

- **Application**
- Acquisition / Relocation
- **Audits**
- Citizen Participation
- **Civil Rights**
- Closeout
- **Construction Management: Public Facilities or New Housing Construction**
- **Contracts**
- **Economic Development** (if ED-CDBG)
- **Environmental Review**

Establishing Project Files:

- **Financial Management**
- General Correspondence
- **Housing Rehabilitation**
- **Labor Standards**
- **Monitoring**
- **Professional Services Agreements**
- **Project Management**

Pages 1-3 and 1-17 through 1-20, CDBG Manual

Call us for help any time!

- **CDBG Program - Housing and Public Facilities**
- **MDOC/Community Development Division**
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